

## SUBCOMMITTEE NO. 4

## Agenda

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### State Administration—General Government—Judiciary—Transportation

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## 5525 California Department of Corrections and Rehabilitation

### Rehabilitation Program Reform Efforts

#### 1. AB 900 Implementation—Rehabilitation Programs

**Background.** Chapter 7, Statutes of 2007 (AB 900, Solorio) authorized additional prison and jail bed capacity. The legislation authorized \$7.4 billion in lease-revenue bonds and appropriated \$350 million General Fund to implement this legislation. The legislation also contained considerable legislative directives related to rehabilitative programming, including \$50 million General Fund targeted for rehabilitative programming. Specifically AB 900 requires the following changes to rehabilitative programming at CDCR:

- **New Beds Must Include Program Space.** Requires all new state prison beds to include substance abuse treatment, work programs, academic and vocational education, and mental health care. Also authorizes CDCR to use portable buildings for inmate rehabilitation treatment and housing to ensure sufficient program space is available.
- **Expanded Substance Abuse Beds.** Requires implementation of 4,000 new dedicated substance abuse treatment beds with post-release aftercare treatment for parolees.
- **Mandatory Risk/Needs Assessment.** Requires individualized program risk/needs assessment for all inmates at reception centers and the development of an individualized treatment plan.
- **Complete Plans.** Requires development of a plan to obtain more treatment and rehabilitative services for the inmate and parolee populations. Also requires the development of a prison-to-employment plan to ensure programs provide sufficient skill to assist in successful re-entry and employment.
- **Rehabilitation Oversight Board.** Creates the California Rehabilitation Oversight Board (C-ROB) to evaluate CDCR rehabilitation and treatment programs and recommend changes to the Governor and the Legislature.
- **Mental Health Day Treatment.** Requires the development of community services to assist parolees suffering from mental illness.
- **Education Incentives.** Requires implementation of a system of incentives designed to increase participation in education programs and encourage inmates to complete educational goals.
- **Rehabilitative Staff Pipeline Development.** Requires development of a staffing pipeline plan to fill vacant prison staff positions, obtain treatment services from local governments, and increase the number of rehabilitation and treatment personnel with proper education and credentials.
- **Management Deficiencies.** Requires CDCR to develop and implement a plan to address management deficiencies within the department.

**AB 900 Benchmarks.** There are numerous benchmarks identified in AB 900 that must be met and verified by a three-member panel comprised of the State Auditor, the Inspector General, and an appointee of the Judicial Council before funding would be made available for Phase II of the

prison bed construction plan approved in AB 900. To date, the three-member panel has not met to consider developments made by the department with regard to the benchmarks detailed below.

- **Infill Beds.** At least 4,000 of the infill beds authorized in Phase I must be under construction or sited, including adequate rehabilitation programming space to implement AB 900.
- **Re-Entry Beds.** At least 2,000 re-entry beds authorized in Phase I must be under construction or sited.
- **Substance Abuse Beds.** At least 2,000 of the new substance abuse beds must be established and prison drug treatment slots must have averaged 75 percent participation over the previous six months.
- **Risk/Needs Assessment.** An individualized inmate risk/needs assessment must be administered at reception centers and be used to assign inmates to housing and programs for at least six months.
- **Complete Plans.** The CDCR must have completed the Expanding Inmate Treatment Services and Prison-to-Employment Plans required by AB 900.
- **Parolee Mental Health Treatment.** At least 300 parolees must be served daily in mental health treatment centers.
- **California Rehabilitation Oversight Board.** The California Rehabilitation Oversight Board must be in operation for one year and regularly review CDCR's programs.
- **Management Deficiencies.** The CDCR must implement a management deficiency plan and have at least 75 percent of management positions filled for at least six months.
- **Educational Programs.** The CDCR must increase full-time participation in inmate education and vocational education programs by 10 percent over the April 2007 levels.
- **Vacancy Rate.** The CDCR must develop and implement a plan to obtain additional rehabilitation services and reduce its vacancy rate for positions dedicated to rehabilitation and treatment services in prisons and parole offices to no greater than the statewide average vacancy rate for all state positions.
- **Parole Procedures.** The CDCR must review its current parole procedures.

**Staff Comments.** Staff notes that CDCR recently released (April 10, 2008) a document entitled "Prison Reforms: Achieving Results" that provides an update on the progress the department has made in meeting each of the benchmarks listed above, including a projected completion date. In this document the department projects that it will have completed all of the benchmarks by December 2008. Staff finds that many of the projected completion dates seem overly optimistic. Furthermore, staff notes that many of the benchmarks are sufficiently vague and working definitions are needed to determine when the benchmarks are actually met. Staff is not aware of the working definitions developed by the department for this purpose. Furthermore, as stated above, the three-member panel has not been convened to establish the working definitions or make a determination of progress by the department.

## 2. Expert Panel Report

**Background.** The Legislature approved \$900,000 General Fund in the 2006 Budget Act to fund an Expert Panel to review the current state of programming within CDCR and make recommendations for improving the programming delivered to inmates and parolees. The Expert

Panel was made up of a diverse group of correctional experts and academics from across the nation and was co-chaired by the department.

The Expert Panel submitted its final report in the summer of 2007. This Subcommittee held a hearing to review the findings and recommendations contained in the report in August 2007. The Expert Panel report made several key recommendations related to reducing CDCR's population and improving factors internal to the programming environment.

**Population Reduction Recommendations.** The Expert Panel recommended that California reduce overcrowding in its prisons and parole offices in order to successfully reduce recidivism. In order to reduce the population, the Panel recommended enacting legislation to expand its current system of positive reinforcements for offenders who successfully complete their rehabilitation program requirements, comply with institutional rules in prison, and fulfill their parole obligations in the community. Specifically, the Expert Panel recommended:

- Awarding earned credits to offenders who complete any rehabilitation program in prison and on parole.
- Replace work incentive program credits with statutorily-based good time incentive credits.
- Implement an earned discharge parole supervision strategy for all parolees released from prison after serving a period of incarceration for an offense other than those listed as serious and violent.

The Expert Panel estimated that if the population reduction recommendations listed above were implemented the prison population could be reduced by approximately 40,000 and the parole population could be reduced by approximately 10,000.

The final recommendation related to earned discharge parole supervision is consistent with the recommendation made by the LAO and discussed by this Subcommittee on March 12.

**Evidence-Based Principles and Practices.** The Expert Panel also made several recommendations related to improving factors internal to the programming environment. These recommendations were based on eight key evidence-based principles and practices. These practices were visualized by the Expert Panel in the California Logic Model. The California Logic Model is a detailed, sequential description of how California should apply the following evidence-based principles and practices:

- Target highest risk offenders.
- Assess offenders' needs.
- Design responsivity into programming.
- Develop behavior management plans.
- Deliver treatment programs using cognitive-based strategies.
- Motivate and shape offender behaviors.
- Engender the community as a protective factor against recidivism and use the community to support offender re-entry and reintegration.
- Identify outcomes and measure progress.

**Programming Environment Recommendations.** The Expert Panel's recommendations related to factors internal to the programming environment are summarized below:

- Select and utilize a risk assessment tool to assess offender risk to re-offend.
- Determine offender rehabilitation programming based on results of assessment tools that identify and measure criminogenic and other needs.
- Create and monitor a behavior management plan for each offender.
- Select and deliver, in prisons and in the community, a core set of programs that covers the six major offender programming areas: (1) academic, vocational, and financial; (2) alcohol and other drugs; (3) aggression, hostility, anger, and violence; (4) criminal thinking behaviors and associations; (5) family, marital, and relationships; and (6) sex offending.
- Develop systems and procedures to collect and utilize programming process and outcome measures.
- Continue to develop and strengthen its formal partnerships with community stakeholders.
- Modify programs and services delivered in the community to ensure that those services: (1) target the criminogenic needs areas of high and moderate risk offenders; (2) assist all returning offenders to maintain their sobriety, locate housing, and obtain employment; and (3) identify and reduce the risk factors within specific neighborhoods and communities.
- Develop the community as a protective factor against continuing involvement in the criminal justice system for offenders reentering the community on parole and/or in other correctional statuses (e.g. probation, diversion, etc.).
- Develop structured guidelines to respond to technical parole violations based on the risk to re-offend level of the offender and the seriousness of the violation.

Many of the latter recommendations made by the Expert Panel related to developing the community as a protective factor were discussed at length when reviewing the LAO's parole realignment proposal at the March 12 and April 17 hearings of this Subcommittee.

**Next Steps.** Staff finds that the Expert Panel also made some efforts to start reviewing and measuring the effectiveness of CDCR's existing rehabilitative efforts. The Expert Panel was able to review 11 of CDCR's programs and found none of the programs rated high on the research scale.

The Expert Panel also concluded that there were several next steps that needed to be taken by the department especially in light of the passage of AB 900. These next steps include:

- Complete assessments of the remaining 23 programs.
- Evaluate and comment on CDCR's academic program offerings.
- Develop benchmarks that assist with the implementation of AB 900.
- Help establish implementation teams to address the existence of "silos" within the organizational structure.
- Analyze support infrastructure.
- Help CDCR develop capacity to perform quality assurance and evaluate programs on a continuing basis.

- Assist with outcome evaluation on the expansions of the departments' rehabilitative programming.
- Refine information concerning the impacts of recommendations on future CDCR populations and budgets.
- Assist CDCR in developing requests for proposal for qualified research entities to conduct additional studies.
- Provide additional recommendations for prisoners with long lengths of stay.
- Provide additional recommendations for parolees reentering their communities.
- Produce a detailed implementation plan to make operational the recommendations in this report.

**Staff Comments.** Staff finds that the department has adopted the recommendations made by the Expert Panel that are related to the internal programming environment. The department has not fully implemented any of the population reduction recommendations made by the Expert Panel. The department did implement a policy to discharge selected inmates from parole if they have been clean and violation-free for 12 consecutive months. This policy is a variation on an earned discharge model, but does not encompass a comprehensive policy of earned discharge.

### 3. Governor's Rehabilitation Strike Team

**Background.** During the 2007 budget deliberations, there was considerable concern about the department's capacity to coordinate between custody and program to improve offender rehabilitation programs within CDCR. Furthermore, AB 900 directed the department to make additional changes and improvements to its rehabilitative programming.

Shortly after the Governor signed AB 900, at the beginning of May 2007, he named a rehabilitation strike team to assist the department in developing and implementing prison and parole programs. The rehabilitation strike team submitted three reports and was comprised of experts from universities, community organizations, and state government. Kathy Jett served as the chair of the rehabilitation strike team for the first phase of activities from May through August 2007 and Joan Petersilia served as the rehabilitation strike team chair during the second and final phase of the strike team's efforts that concluded in December 2007.

**Strike Team Accomplishments.** During the first phase the rehabilitation strike team worked on setting the stage for meeting specific AB 900 benchmarks. The team reports that in the first phase it drafted technical amendments to AB 900; defined all key terms within the legislation; helped expedite contracts to hire consultants to help CDCR improve its prison population projections; developed a risk assessment tool for parole agents to use when making parole discharge decisions; and developed a decision-making matrix to improve parole violation procedures. The strike team also participated in five day-long focus groups to assess parole, institutions, classification and endorsements, rehabilitative programming, and secure re-entry facilities. The strike team described its efforts in phase one as team-building, information gathering, and agenda setting.

In the second phase of the strike team efforts, the strike team in conjunction with CDCR decided to focus on four main strategies. These strategies included the following:

- **Offender Accountability and Rehabilitation Plan** - development of a plan that was designed to assess inmates' needs at intake and direct inmates to appropriate rehabilitation programs and services in prison and on parole.
- **Correctional and Rehabilitation Staff Education and Training Plan** – development and identification of rehabilitation-oriented training and curriculum for correctional and rehabilitation staff and a method of delivering that curriculum via the California Community College Districts.
- **Prison-to-Employment Program** – development of a plan to optimize offenders' ability to move from prison to employment in the community by providing academic and vocational programs of sufficient quantity and quality and building stronger partnerships between CDCR and the community.
- **Parole Reform** – development and implementation of parole reform guided by a new risk assessment tool and a parole violation decision-making matrix.

The strike team's final report submitted in December 2007 provides a detailed discussion of the background motivating each of the initiatives listed above and the details of the proposed changes and their anticipated impacts, a timeline for implementation and a discussion of implementation challenges.

**Staff Comments.** Staff finds that the department has built on the efforts of the strike team and has used these efforts to guide the larger scale reforms the department is currently pursuing.

## 4. California Rehabilitation Oversight Board

**Background.** The California Rehabilitation Oversight Board (C-ROB) was created by Chapter 7, Statutes of 2007 (AB 900, Solorio) and is mandated to regularly examine and report biannually to the Governor and the Legislature regarding rehabilitative programming provided by CDCR. The board is comprised of 11 members representing diverse stakeholders, including law enforcement, substance abuse, mental health, and education.

The board held its first meeting on June 19, 2007, and has held six public meetings since then. The board has delivered two reports to the Governor and Legislature.

**January Report Update.** The C-ROB is required, by statute, to utilize the Expert Panel in performing its duties. The board reviewed the recommendations contained in this report and concurs with its recommendations. In the board's second report to the Legislature, the board found that CDCR appeared to be working toward implementing an effective rehabilitative model, as recommended by the Expert Panel.

The C-ROB also identified "red-flags" related to the department's rehabilitative efforts to date. Specifically, the C-ROB found the following:

- Efforts to improve rehabilitative programming appear fragmented. For example, it is not clear how COMPAS assessments are being used by staff members who work directly with inmates.

- Case management plan needs developed to realize value of COMPAS assessment at intake.
- Secondary assessments are needed to effectively assess inmates.
- Multidisciplinary teams are needed for successful implementation and the department has not demonstrated that they are using these teams to implement their efforts.
- Efforts to improve CDCR's information technology system must be expedited so that case management plans can be automated.
- Sufficient resources are needed to implement effective rehabilitative programming.
- The department needs to work on developing its inventory of rehabilitative programs so that it has at least one program in each of the major offender programming areas (e.g. criminal thinking behaviors and associations).
- Until sufficient program resources are available for all inmates, the C-ROB is concerned about how the department allocates its limited programs among various inmates and parolees.
- Improving communication between the department and the Receiver is important given significant overlap in responsibilities.
- A spending plan is needed for the \$50 million allocated in AB 900.
- The C-ROB has identified considerable community resistance to siting re-entry facilities and C-ROB has found that the department would benefit from expanding its collaborative efforts with law enforcement to include other key leaders in the community service system, including mental health, human services, and others.

**Staff Comments.** Staff finds that several months have passed since the January C-ROB report, summarized above, was released and the department has made progress on some of the issues identified by the board. Some of this progress is explained in the budget proposals described later in this agenda.

## Expanding Rehabilitation Programming

**Background.** Chapter 7, Statutes of 2007 (AB 900, Solorio) required that the department develop a plan to obtain additional treatment and rehabilitative services for the inmate and parolee populations. The statute requires that the plan include the following:

1. Plans to fill vacant staff positions that provide direct and indirect rehabilitation services to inmates and parolees.
2. Plans to fill vacant staff positions that provide custody and supervision services for inmates and parolees.
3. Plans to obtain, from local governments and contractors, services for parolees needing treatment while in the community and services that can be brought to inmates within prisons.
4. Plans to enter into agreements with community colleges to accelerate training and education of rehabilitation and treatment personnel, and modifications to the licensing and certification requirements of State licensing agencies that can accelerate the availability and hiring of rehabilitation and treatment personnel.

This report was submitted to the Legislature in March 2008.



**Report Summary.** The department has used the report to provide a more detailed description of various activities that are underway or planned to increase rehabilitative and treatment services. The department indicates in this report that it has adopted all of the Expert Panel recommendations, except the population reduction recommendations, and is in various stages of implementing these recommendations. The report addresses many efforts that will be described in more detail in the budget items that follow.

The department indicates in this report that it has developed three tracks for obtaining additional programming for inmates and parolees under CDCR. Track 1 is to increase the utilization of existing programming resources. The department describes that Track 1 is what needs to happen to get each of the institutions ready to implement the rehabilitative model being tested in the Proof Project. Track 1 is focused on utilizing existing programming within prisons by maximizing offender participation, increasing capacity within existing resources, and increasing some programming capacity with new resources. The department has developed a decision making matrix to assess the readiness of each institution to implement additional rehabilitation programming efforts.

Track 2 is to implement the Proof Project to demonstrate and test implementation of the California Logic Model.

Track 3 is the long-term rollout statewide of the new rehabilitative treatment model based on lessons learned in the Proof Project.

The report also indicates that the department has initiated a master plan for rehabilitative programming in order to better coordinate all of the different efforts being undertaken to expand rehabilitative programming. The department has noted that its current efforts are hindered by the lack of a comprehensive, integrated work plan. The department indicates that this master plan would be completed in March. Staff has not received this plan and further notes that this effort responds to concerns by C-ROB that the current rehabilitative efforts seemed somewhat fragmented.

## 1. Programming Space—Informational Issue

**Background.** In the recent report to the Legislature on expanding rehabilitation services, the department has indicated that reducing overcrowding is critical to its efforts to expand rehabilitative programming. Thus far the department has been able to transfer some inmates out of state and implement some parole changes, which coupled with a natural decline in the population has resulted in a reduction in the population currently being housed in state prison. To date the department has deactivated over 4,000 bad beds in dayrooms and gyms. This marginal reduction in overcrowding has enabled the department to return dayrooms and gyms to their intended use.

There are many reasons that overcrowded prison conditions inhibit the department's ability to expand rehabilitative programming. For example, overcrowded prisons are less safe and result in more frequent lock-down events.

**Programming Space.** As mentioned above, AB 900 requires all new state prison beds to include adequate space for substance abuse treatment, work programs, academic and vocational education, and mental health care. The legislation also authorizes CDCR to use portable buildings for inmate rehabilitation treatment to ensure sufficient program space is available. Initial plans for infill projects, circulated by the department, show that they are including programming space to fully implement AB 900. The LAO estimates that they are including three times more programming space in these infill projects when compared to the last new prison built in 2005.

As discussed at the April 14 meeting of this Subcommittee, the department has developed its first master plan document in over ten years. This document did not include a discussion of what rehabilitation space was needed to expand rehabilitation programming efforts. The department has indicated to staff that it is working on site-by-site assessments of the need for additional programming space or capital outlay projects needed to expand rehabilitative programming.

**Staff Comments.** There are no budget proposals to expand programming space in the Governor's budget. Staff finds that AB 900 expressly authorized the department to purchase modular units to expand programming space.

## 2. Staff Vacancies—Informational Item

**Background.** The department was required to develop and implement a plan to address management deficiencies within the department as part of AB 900. The department put forward a management plan in January 2008 to meet this requirement. A section of the report was dedicated to the department's efforts to hire and retain correctional officers, teachers, and health care staff. The department indicates that it has been successful in filling its correctional officer academy since February 2007 and has taken significant efforts to expedite the hiring of additional correctional officers. The department indicates that it has been successful in filling over 1,000 vacant correctional officer positions over the past year.

The department has also taken steps to recruit additional teachers. Last year the Legislature approved a salary increase for teachers and the department reports that it has hired 175 teachers, but still has over 100 remaining vacancies. The department was also directed, by AB 900, to consider modifications to licensing and certification requirements that would enable the department to hire additional staff to deliver rehabilitation services. The department indicates that it initiated this review in March 2008.

**Staff Comments.** Staff finds that staffing vacancies for both custody and program will need to be filled in order to expand rehabilitation services in the prisons. The LAO has identified that, on average, only 43 percent of enrolled inmates were in class each day. The department indicates that about half of the time the classroom was "dark" it was due to custody lockdowns or other custody driven disruptions. The other half of the time the classroom was "dark" because of teacher absences.

Staff notes that the department has made some progress in filling teacher vacancies, but more should be done to develop access to a pool of substitute teachers or other classroom activities

that could be supervised by other institution staff. Staff also finds that the department needs to continue its efforts to reduce the duration of lockdowns by improving intelligence efforts and removing inmates that are instigating violence in the institutions.

### 3. Organizational Change and Capacity

**Background.** In the recent report to the Legislature on expanding rehabilitation services the department has identified the need to invest in getting CDCR ready to accept the changes required to implement a new rehabilitative programming approach. The department indicates that it plans to train 1,900 prison staff that will play key roles in the rehabilitation process for inmates and the implementation of AB 900.

The department is also working on an interagency agreement with the California Community Colleges System to deliver the training and education programs. Ultimately, the department plans to build the training into the training academy curriculum.

**Governor's Budget.** The Governor's budget includes a proposal to allocate \$1.4 million in the current year and \$5.4 million in the budget year to support 41 positions to start a training effort to train 1,900 prison staff that will play key roles in the rehabilitation process for offenders and the implementation of AB 900. These efforts will be funded by the General Fund appropriation for rehabilitative programming contained in AB 900.

The training provided will cover the principles of effective rehabilitation, cognitive behavioral intervention, motivational interviewing, and other skills. The training will be designed to provide department staff with communications skills and techniques designed to reduce offender resistance, increase offender motivation to change, and reduce individual criminal risk.

The department plans to start training existing staff at reception centers directly responsible for implementing the COMPAS risk assessment tool and will also identify other staff that will serve as department-wide trainers who will travel the state in teams and eventually train staff at all institutions.

The department indicates that the training is being developed utilizing external subject matter experts, the new Program Development office within Adult Programs, and the Office of Training and Professional Development.

**Staff Comments.** Staff finds that there is considerable need to train staff on the department's new efforts to implement its rehabilitation mission. Staff finds that the Division of Juvenile Facilities embarked on an extensive training effort over the last several years and has seen many positive changes at its institutions. Specifically, staff finds that the training being proposed provides correctional staff and other staff with additional tools that can be used to change inmate behavior and keep the institutional setting safer.

Staff notes that this budget proposal would address training needs of correctional counselors, teachers, and other staff that play key roles in the rehabilitation process for offenders. Staff finds

that similar trainings would be valuable for other custody staff as well. However, delivering these trainings to other custody staff would require significantly more resources.

**Staff Recommendation.** Staff recommends that the Subcommittee concur with the department's planned use of funds already appropriated in AB 900.

#### 4. Substance Abuse Treatment Expansion—In Custody

**Background.** The department is required by AB 900 to dedicate 4,000 additional prison beds to substance abuse treatment and provide commensurate post-release aftercare treatment slots for parolees. The department must have 2,000 of these beds established before it can move to Phase II of the prison construction authorized under AB 900.

The department has started the development of plans to provide 2,000 additional beds with substance abuse treatment services. The department has selected eight sites where additional treatment beds will be established and has started efforts to draft requests for proposals to select contractors.

**Governor's Budget.** The Governor's budget proposal includes \$308,000 in the current year and \$8.1 million in the budget year for 29 positions and to fund contracts for substance abuse treatment services to an additional 2,000 inmates and after-care for 1,300 parolees. The department indicates that the full costs to implement this program are \$41 million, which will not be realized until 2010-11. The current and budget year funding will be provided by the appropriation contained in AB 900.

The funding in the budget year will support in-custody treatment services for an average daily population of 500 and does not include additional funding for after-care services. The funding to implement this budget proposal would grow over the next two years as the department increased its capacity to 2,000 new in-prison slots and increased the after-care capacity by 1,300. The positions will also be used to support CDCR staff to manage this program and additional funding is included for the cross-training of custody staff.

The department has indicated that it plans to add substance abuse programs at the following institutions:

- California Correctional Institution (Level I) – 50 beds
- California Institution for Men (Level I) – 250 beds
- Valley State Prison for Women (All Levels) – 250 beds
- Central California Women's Facility (All Levels) – 250 beds
- California State Prison, Solano (Level II) – 500 beds
- Sierra Conservation Center (Level I) – 250 beds
- Avenal State Prison (Level II) – 250 beds
- Leo Chesney Community Correctional Facility for Women (All Levels) – 200 beds

**Staff Comments.** Staff finds that numerous research studies have found that substance abuse treatment reduces recidivism. The studies have found that in-custody treatment is especially effective when coupled with aftercare. This proposal contains some resources for CDCR staff to manage this program and provide technical assistance to contractors and new CDCR staff supporting these programs. Staff finds that this effort should help to avoid some of the concerns raised by the Office of the Inspector General in its 2006 review of substance abuse treatment contractors.

**Staff Recommendation.** Staff recommends that the Subcommittee concur with the proposed allocation of funding already appropriated for rehabilitation in AB 900.

## 5. In-Custody Drug Treatment Program Beds—Parole Violators

**Background.** In an April 2007 court order in the *Valdivia* lawsuit CDCR was ordered to provide remedial sanctions for parolees that have violated parole. The order requires CDCR to establish 1,800 community-based treatment beds for parolees that violate their parole conditions due to a drug or alcohol dependency. The department was required to establish these beds by April 2008. Staff understands that the department has secured these beds in the community through contracting with the Substance Abuse Services Coordination Agencies (SASCAs).

In the recent report to the Legislature on expanding rehabilitation services, the department has indicated that it has already established 850 community beds statewide and 560 jail beds statewide. The department plans to ensure that there will be no fewer than 400 in-custody drug treatment beds in each of the four parole regions, with the exception of Los Angeles which will have no fewer than 600 beds.

**Governor's Budget.** The Governor's budget proposal includes \$1.3 million General Fund to support 11 positions that will oversee the management and contracting of the community beds ordered by the court.

Staff notes that the funding to support these beds will be funded through the department's May Revision population estimate.

**Staff Comments.** Staff finds that in the current year there has been some evidence that these treatment beds have reduced the number of inmates returned to custody for short-term parole violations, thereby reducing the inmate population. The treatment programs should also help to reduce recidivism for this population, which could result in significant long-term savings to the state's prison system. Staff finds that proper contract oversight by CDCR staff is critical to ensuring effective and efficient use of state funds.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this budget proposal to comply with the court order.

## 6. Expanded Services for Mentally Ill Parolees

**Background.** The department is required by AB 900 to develop community services to assist parolees suffering from mental illness. Specifically, the department is required to provide services for 300 parolees before it can move to Phase II of the prison bed construction authorized in AB 900.

The 2007 Budget Act provided \$4 million to augment the department's efforts in this area. The department is currently using a portion of these funds to provide crisis intervention services on an as-needed basis. The department is also working on developing longer-term contracts for wrap-around services for the mentally ill parolee population.

**Governor's Budget.** The Governor's budget proposal includes an additional \$6 million to support four positions and contract services to expand the continuum of treatment services available to parolees with mental illness. The department is proposing to fund these services from the rehabilitation funding already appropriated in AB 900.

**Staff Comments.** The department has indicated that about 20 percent of the parolee population (over 23,000 parolees) has a mental illness. Currently, the department has parole outpatient clinics which provide mental health assessments and outpatient treatment. However, more intensive treatment options are needed for a portion of this population. The department plans to develop contracts with the counties to expand the treatment options available to this population. Staff finds that this could include mental health crisis care, supportive housing, and/or day treatment.

Staff finds that this effort could do a lot to provide more stability for the portion of this population that tends to be transient and have a serious mental illness. If this population does not have some stability they are at a high-risk to recidivate. Staff finds that in some cases sending this population back to prison can further contribute to their instability by interrupting treatment. Therefore, this effort will help to support this population in the community and could have a significant impact on improving outcomes for these parolees and public safety.

**Staff Recommendation.** Staff recommends that the Subcommittee concur with the department's planned use of funds already appropriated in AB 900.

## 7. Using Assessments and Case Plans

**Background.** In the recent report to the Legislature on expanding rehabilitation services, the department discusses its efforts to adopt a new approach to delivering rehabilitation services based on the recommendations of the Expert Panel. The Expert Panel recommended that the department implement programming based on eight evidence-based principles and practices visualized in the California Logic Model.

The first step in the California Logic Model is the assessment of an inmate's risks and needs. The department has been using the Correctional Offender Management Profiling for Alternative Sanctions (COMPAS) instrument in its pre-parole planning efforts for the last few years. The

COMPAS instrument is a research-based risk and needs assessment tool that is comprised of 141 questions used to determine the overall risk potential and criminogenic needs profile of the offender.

The department started using this instrument to assess inmates in four reception centers at intake in June 2007. This pilot was expanded to the eight remaining reception centers beginning in November 2007. The department indicates that the assessment is completed for a portion of the new commitments that have more than 240 days to serve. The department indicates that to date it has done 6,000 COMPAS assessments at intake.

**Governor's Budget.** The Governor's budget proposal includes \$500,000 in the current year to support 8 positions and \$5.2 million in the budget year to support 58 positions to expand the department's initiative assess inmates at intake and assign inmates to an individualized rehabilitative programming case plan. This effort will be supported by the funding provided in AB 900 for rehabilitative programming.

This request will enable the department to expand the number of new commitments who receive the COMPAS risk assessment at intake in the Reception Center and ensure that most of the new commitments with more than 240 days to serve get the COMPAS assessment at intake.

The department indicates that the COMPAS assessment will be used in conjunction with various other case factors to make an endorsement to a general population prison. The offender's risk score on the COMPAS instrument will determine the track the offender will be placed on. If the offender is moderate to high risk to re-offend he will be placed on a Rehabilitation Track. If he or she is low-risk to re-offend he or she will be placed on a Life Skills Track. If the offender is placed on the Rehabilitation Track he or she will be referred for appropriate secondary assessments (e.g. substance abuse, academic, criminal thinking). After the appropriate assessments, an individualized case plan will be developed for the inmates on both the Life Skills Track and the Rehabilitation Track. This case plan will be used by the classification committee to make program assignments.

The additional resources requested in this budget proposal will support the additional secondary assessments and the development of the case management plans. In the short term, the department has reported that it has decided to use the case management capabilities of the COMPAS tool to develop a case plan for each offender. The department indicates that it is currently reviewing the feasibility of this plan.

**Staff Comments.** The department is currently using teachers to give the COMPAS assessment to the inmate at intake. Staff finds that this may be a more appropriate task in the long-term for staff that are more directly involved in the classification process. Presently, the Parole Division is also implementing the full COMPAS assessment for its pre-parole planning efforts. Staff finds that this is a duplication of effort for inmates that are receiving the full assessment at intake. Staff finds that the department should coordinate its use of the COMPAS tool consistent with the California Logic Model.

Staff finds that this is an important foundation effort to implementing evidence-based programming and should help to target the right programming plan to the right offender. However, staff finds that the assessments are meaningless at reducing recidivism if programs are not available in the prisons.

**Staff Recommendation.** Staff recommends that the Subcommittee concur with the department's planned use of funds already appropriated in AB 900.

## 8. Program Support Infrastructure

**Background.** As mentioned above, implementing risk and needs assessments and developing case plans are an important first step, but if programs are not available in the prisons, they are meaningless. The Legislature has made considerable efforts to improve CDCR's rehabilitation efforts over the past two years. The department is currently pursuing significant changes to the rehabilitative programming available in state prison. These new efforts require a considerable amount of development and care in implementing.

Historically, the implementation and expansion of rehabilitation efforts has been challenging for the department. There are numerous operational issues within the state prisons that must be dealt with so that the institutions are safe and inmates are able to program. There are significant implementation challenges in expanding rehabilitation programming in the prisons that will require a considerable amount of coordination and careful planning.

**Governor's Budget.** The Governor's budget proposal includes \$301,000 in the current year to support six positions and \$3.6 million in the budget year to support 30 positions to provide the department with the necessary staffing to manage the rehabilitative efforts directed by AB 900 and the recommendations made by the Expert Panel, and the Governor's rehabilitation strike team. The funding in the current year, and \$681,000 in the budget, will be funded from the rehabilitation allocation in AB 900.

The funding will support the following efforts:

- **Office of Program and Policy Development and Fidelity.** The department requests 13 positions to establish a new unit within the Adult Programs division that will be responsible for designing and implementing new evidence-based programs, including those identified in the Expert Panel report. This office will also be responsible for implementing a pilot of the California Logic Model referred to as the Proof Project. This new office will also ensure standardized curriculum and appropriate training to ensure that programs are implemented consistent with program design and standards.
- **Prison to Employment Section.** The department has requested six positions starting in the current year to establish a Prison to Employment Section within the Division of Education and Vocations Programs. This section will be responsible for evaluating the existing education programs to determine if the programs provide inmates with sufficient skills to likely result in offender employment in the community. This section will also be



responsible for making recommended changes to better meet this goal. Funding for this section will be allocated from the appropriation in AB 900.

- **Program Support Unit.** The department has requested six positions to support a new Program Support Unit within the Adult Programs division. This unit would be responsible for coordinating and overseeing budget requests to ensure integrated approaches and non-duplicative requests. The department indicates that establishing this unit will enable personnel implementing programs to focus on program operations as opposed to administrative tasks.
- **Local Government Liaison Office.** The department has requested five positions to support a Local Government Liaison Office within the Adult Programs division. This office would be merged with the existing Division of Community Partnerships and be responsible for working with other state departments, local government, and community based organizations to establish formal partnerships to serve parolees in the community. This Office will also help to coordinate community outreach and education for implementing community portions of the California Logic Model.

**Staff Comments.** Staff finds that there is a need for the Office of Program and Policy Development and Fidelity. The Expert Panel recommended that the department develop offender programs in six core program areas (e.g. criminal thinking, behaviors and associations). The department indicates that it has identified at least one program for each of the core areas in the Expert Panel. However, considerable work will be required to implement these programs. In addition, staff finds that this Office will help to ensure that outcome measurements are developed for existing programs to determine if they are evidence-based.

Staff finds that a Prison to Employment Plan was mandated by AB 900. The department indicates that it is developing a prison to employment continuum to directly link behavioral, academic, and vocational education to job skills and available job opportunities in the community. The department has reviewed several prison-to-employment plans and has decided to adopt a program modeled after the Texas Project Re-Integration of Offenders (RIO) that they will call the New Start program. The department's Prison to Employment Plan has not been received by the Legislature. However, the department has indicated that this plan would include mapping existing training and work opportunities in prisons to jobs available in the community and include developing an "employment passport" for the inmate that included identification cards, trade certificates, and resumes.

Staff finds that the Local Government Liaison Office may help the department improve its relationships with community providers. The department admits that it does not have a comprehensive and integrated system for contracting with community providers and often these contracts lack oversight, monitoring, and performance measurements. The department is currently working on an inventory of the CDCR-funded services in the community, identifying other state-funded services, and eventually identifying other services in the communities. After this inventory is complete, the department plans to identify gaps in services that are most important to ensuring successful offender re-entry.

Finally, staff finds that the department is currently embarking on an ambitious effort to greatly improve on the size and scope of rehabilitation efforts delivered in our state prison system. This type of effort will require significant development and coordination as the department moves into the implementation phase. The department needs dedicated staff to lead these efforts in cooperation with custody staff to ensure the efforts are implemented successfully.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Concur with the department's planned use of funds already appropriated in AB 900 for the prison-to-employment office.
- Approve an augmentation of \$2.9 million to support additional rehabilitation staff.

## 9. Proof Project

**Background.** The department has also started developing the Proof Project at California State Prison, Solano. This project will be used to test and demonstrate implementation of the California Logic Model recommended by the Expert Panel. The department has formed cross-jurisdictional teams to implement this site-specific project and has developed a governance structure to establish clear lines of authority and facilitate appropriate and timely decision making. This effort will ultimately be expanded to the Deuel Vocational Institution, the Northern California Reentry Facility in Stockton, and Parole Region I.

**Governor's Budget.** The Governor's budget includes \$5 million to support development of the pilot project to implement the California Logic Model. This funding will be provided by the appropriation contained in AB 900.

**Staff Comments.** The department admits that the \$5 million proposed for the Proof Project is a placeholder. Staff finds that the department does need some level of flexibility to solve problems as they come up in the implementation of the Proof Project. The expansion of rehabilitation programs has often been thwarted in the implementation stage because of the significant competing priorities and issues that are unique in a correctional setting.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Concur with the department's planned use of funds appropriated in AB 900.
- Approve supplemental report language to require an update on the implementation of the Proof Project by September 1, 2008 and March 1, 2009.

## 10. Office of Research—AB 900 Implementation Support

**Background.** The Office of Research carries out short-term and long-term process and impact evaluations for programs within CDCR; conducts research projects to enhance the classification of offenders according to their treatment needs and risks; conducts research designed to assess institutional program needs; and provides research-based information to CDCR administrators, staff, and others outside the department.

The department indicates that the Office of Research is involved in all aspects of implementing the new rehabilitative programming approach. The Office has been involved in validating the COMPAS tool for the California population and is embarking on a comprehensive evaluation of all of CDCR's rehabilitative programming efforts.

The Office of Research had suffered significant reductions over the past decade, which reduced its ability to evaluate program effectiveness and maintain data essential to measuring program effectiveness. Approximately \$3.5 million was added to restore resources to the Office of Research in the 2006 Budget Act. These funds were augmented in the current year by \$1.7 million in order to add evaluation components to several of the Reducing Recidivism Strategies that were funded in the 2006-07 and 2007-08 fiscal years.

**Governor's Budget.** The Governor's budget proposal includes \$1 million to support 10 new positions in the Office of Research that will enhance the collection, validation, and reporting of data associated with AB 900.

Specifically, the positions will enable the department to establish two new divisions within the Offender Information Services Branch of the Office of Research. The new divisions will be the Systems Development Unit that will improve the current data collection systems and the Data Collection and Validation Unit that will improve the collection and validation of data and train persons responsible for collecting and entering data.

**Staff Comments.** Staff finds that one of the key evidence-based practices is the identification and measurement of outcomes and progress. The Office of Research is able to provide this important research that will allow the department to make smart investments in effective programs and modify or eliminate programs that are not effective.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Approve this budget proposal.

## 11. Rehabilitation Incentives

**Background.** The department is required by AB 900 to implement a system of incentives designed to increase participation in rehabilitation programs and encourage inmates to complete educational goals.

The department has reported that it has developed a plan to create a menu of core practices and best practices that can be implemented by wardens. The menu of incentives includes reinstatement of the privilege card system, enhanced yard time, night yard, expanded visiting, additional quarterly packages, additional canteen, first access to canteen, and others. This effort is already underway in conjunction with Adult Institutions.

**Staff Comments.** Staff finds that the department's incentive program may help to provide more incentives for inmates to program. Staff finds that improving rehabilitation incentives could also improve safety in the institutions.

Staff finds that the good-time credit changes proposed by the Expert Panel would be more effective at providing inmates with incentives to participate in rehabilitative programming. In addition, these changes would also reduce the inmate population in a manner that minimizes public safety risks, especially when compared to the Governor's early release proposal. These good-time credit changes were discussed at the March 12 meeting of this Subcommittee and are summarized below:

- **Earned Credits for Offenders that Complete Rehabilitation Programs.** The CDCR currently provides *earned* credits to offenders who: (a) the CDCR assigns to conservation camps to fight fires and perform other prison jobs (Work Incentive Program) and (2) participate in the Bridging Educational Program. Offenders that complete other rehabilitation programs do not receive earned credits.

The Expert Panel recommended that California enact laws that would allow the CDCR to award earned credits to offenders who complete any rehabilitation program, such as substance abuse treatment or life skills development, in accordance with their behavior management plans. The Expert Panel finds that these credits would provide motivation for offenders to participate in and successfully complete assigned rehabilitation programs to earn reduced sentences. The Expert Panel notes that participation in evidence-based rehabilitation programs will reduce recidivism and result in improved public safety outcomes.

- **Replace Work Incentive Program Credits with Statutorily-Based Good Time Incentive Credits.** California's Determinate Sentencing Law allows offenders to earn, with some exceptions, as much as a day-for-day "good time" rate (50 percent reduction), but only if they are able to receive Work Incentive Program credits. While most offenders are eligible to receive the day-for-day Work Incentive Program credits, because of program capacity limits, they cannot access the work programs. In most cases offenders are assigned to these work programs on a first-come first-served basis.

The Expert Panel recommended that California enact a law that would allow CDCR to grant good time credits to those offenders that comply with institutional rules in prison. These good time credits would provide motivation for prisoners to manage their behaviors in prison to earn reduced sentences.

## 12. Education Information Technology

**Background.** The C-ROB panel has already identified as a "red flag" the department's lack of information technology resources. The department is currently developing a major offender management system, but this system is still in development. In the meantime, the department currently has no way to report basic data related to inmate education and programming. Data and information on program participation and outcomes are central to implementing evidence-based programming.

**Governor's Budget.** The Governor's budget proposes \$961,464 to support six positions to develop and implement the Education for Inmates Reporting and Statewide Tracking (EdFIRST) project. This project will enable the department to report timely education data on enrollment, program completion, improvement in reading scores, and the relationship between recidivism rates and education programs. The department indicates that this program is an off the shelf program and a feasibility study report has been completed for this project. The project will be funded with the monies included in AB 900 for rehabilitation programming.

**Staff Comments.** Staff finds that tracking and reporting data about inmate programs is central to implementing evidence-based programming efforts. Staff finds that because this is an off-the-shelf program module the department should be able to integrate it into its larger offender management system once it is developed.

**Staff Recommendation.** Staff recommends that the Subcommittee concur with the department's planned use of funds already appropriated in AB 900.

### 13. Community Work Crews

**Governor's Budget.** The Governor's budget proposal includes \$2.4 million General Fund that would grow to \$5.8 million in 2009-10 to create inmate community work crews at most prison institutions. These work crews would provide services to local jurisdictions such as litter removal, weed abatement, and minor repairs. The department would not be reimbursed by the local jurisdictions for the services performed by the work crews. This funding would be used to establish 29 correctional officers that would supervise the work crews as well as some one-time costs for equipment.

**LAO Recommendation.** Currently, the LAO finds that six prisons have community work crews, but local communities reimburse the state for its costs of providing the services. The LAO recommends modifying the department's request for funding related to inmate community work crews to (1) eliminate a General Fund augmentation for these new positions, and (2) reflect funding of the new positions from reimbursements from local jurisdictions. The LAO notes that there may also be additional institutional savings that will occur from providing additional inmates with work opportunities that can earn them work-time credits.

**Staff Recommendation.** Staff recommends that the Subcommittee hold this issue open.

## Division of Juvenile Justice

**Juvenile Justice System Background.** For the most part, the Juvenile Justice system in California is managed and funded by local government. Following the arrest of a juvenile, law enforcement has the discretion to release the juvenile to his or her parents or to take the suspect to juvenile hall and refer the case to the county probation department.

Generally, probation officials decide how to process the cases referred to them and about one-half of the cases referred to probation result in the filing of a petition with the juvenile court for a hearing. Judges declare the juvenile a ward of the court almost two-thirds of the time. The vast majority of wards (over 98 percent) are placed under the supervision of the county probation department. These youth are typically placed in a county facility for treatment (such as a juvenile hall or camp) or supervised at home. Other wards are placed in foster care or a group home.

A small number of wards (under 2 percent annually) are committed to the California Department of Corrections and Rehabilitation's (CDCR) Division of Juvenile Justice (DJJ) (previously known as the California Youth Authority or CYA) and become a state responsibility. The population sent to DJJ is generally the State's most serious and chronic juvenile offenders, but this may vary by county. In addition, juveniles tried in adult criminal court for particularly serious or violent crimes are placed in a DJJ facility until their 18th birthday, at which time they are transferred to state prison for the remainder of their sentence. The CDCR currently operates eight juvenile correctional facilities and one conservation camp. However, the CDCR is in the process of closing two juvenile facilities in the current year.

**Governor's Budget Summary.** The Governor's budget proposal includes \$488 million to fund DJJ institution and parole operations. This is about \$87 million or 15 percent less than estimated expenditures in the current year due to legislation (Chapter 175, Statutes of 2007 [SB 81, Budget]) enacted in 2007 to restrict the ability of counties to send non-serious non-violent juveniles to state DJJ facilities. The per capita costs for youths incarcerated at DJJ facilities are projected to be \$252,312 in 2008-09.

The budget proposes a significant realignment of program expenditures in the budget year to reflect more accurate tracking of DJJ expenditures.

The budget display also includes the new grant program authorized as part of SB 81 to provide counties with funding to support the youthful offenders no longer eligible for commitment to state DJJ facilities. These grants are expected to increase by \$42 million in the budget year to account for the growing number of youth that would stay locally under the legislation. Even with the expected growth of this block grant subvention, overall state expenditures on juvenile offenders are expected to decline because of reduced population and the closure of two DJJ facilities (DeWitt Nelson Youth Correctional Facility and El Paso De Robles Youth Correctional Facility).

<b>Summary of Expenditures</b> (dollars in thousands)	2007-08	2008-09	\$ Change	% Change
<b>Type of Expenditure</b>				
Juvenile Operations	207,528	283,552	76,024	36.6
Juvenile Education and Programs	205,133	84,531	-120,602	-58.8
Juvenile Parole	39,170	35,501	-3,669	-9.4
Juvenile Healthcare	122,604	84,026	-38,578	-31.5
<b>DJJ Subtotal</b>	<b>\$574,435</b>	<b>\$487,610</b>	<b>-86,825</b>	<b>-15.1</b>
SB 81 Local Block Grant	23,856	66,247	42,391	177.7
<b>Total</b>	<b>\$598,291</b>	<b>\$553,857</b>	<b>-\$44,434</b>	<b>-7.4</b>

**Facility Closure Update.** The state will close two DJJ facilities in the current year. The El Paso De Robles Youth Correctional Facility will close by May of this year and the DeWitt Nelson Youth Correctional Facility will close by June of this year. As of April 15, there were 58 youth remaining at El Paso De Robles and 126 youth at DeWitt Nelson. The department reports that it is making plans to transfer the remaining youth to other facilities.

The department has announced that it is pursuing the re-purposing of the El Paso De Robles Youth Correctional Facility as an adult facility. There are no formal plans for the DeWitt Nelson Youth Correctional Facility, but this facility is currently being evaluated as one of the sites that the Receiver may select to site a Consolidated Care Center.

**Farrell Lawsuit Update.** In 2004, the state settled *Farrell v. Tilton* that alleged poor conditions of confinement and a lack of treatment services for youth housed in DJJ institutions. As a result of this lawsuit, the state agreed to review the entire system and reform the programs provided to juvenile offenders. Beginning in 2005-06, the DJJ began implementing reforms as stipulated by the *Farrell* consent decree in the following areas:

- Mental Health
- Sex Behavior
- Disability
- Education
- Medical Care
- Safety and Welfare

The state has allocated about \$125 million General Fund ongoing, to date, to comply with the *Farrell* lawsuit. However, overall expenditures for DJJ have declined and are projected to decline further as the population continues to be reduced due to the realignment implemented last year and other factors.

Given the realignment and the planned closure of two DJJ facilities, the department is in the midst of realigning the population among its remaining six institutions to ensure continued progress in complying with the *Farrell* lawsuit.

The state continues to work towards complying with the reforms stipulated by the *Farrell* consent decree. However, the plaintiffs in the *Farrell* case have called for the appointment of a Receiver to oversee and direct the department to comply with the remedial plans. A hearing was held last week to hear arguments for and against the appointment of a Receiver in the *Farrell* case.

The following section summarizes some of the actions taken by the department to bring DJJ facilities and programs into compliance with *Farrell* remedial plans.

## 1. Safety and Welfare Remedial Plan

**Background.** The safety and welfare remedial plan was required by the November 2004 Consent Decree that the state entered into in the *Farrell* lawsuit. The latest plan was submitted to the court in July 2006. This plan is guided by the following six principles:

- Provide safe, secure facilities.
- Provide effective rehabilitative treatment to reduce recidivism.
- Prepare youth for re-entry to the community and provide opportunities to address personal, social, physical, educational, and vocational needs.
- Strengthen the juvenile justice continuum, through collaboration with stakeholders, communities, and families.
- Implement restorative justice practices to ensure rehabilitation includes accountability to victims, the community, and themselves.
- Continuously evaluate program quality, outcomes, and effectiveness.

**Immediate and Phase I Efforts.** The 2006 budget change proposal for the Safety and Welfare Remedial Plan identified immediate and Phase I efforts as follows:

- Hire consultants to develop strategies for the following issues: (1) classification, (2) normative culture, (3) substance disorders, (4) violence reduction, (5) aggression replacement, (6) conflict resolution, (7) gang integration, (8) female offenders, and (9) re-entry.
- Issue a request for proposals for a risk/needs assessment and implement a new assessment tool.
- Identify potential providers for female offenders and issue a request for proposal for services/programs for female offenders.
- Begin converting N.A. Chaderjian Youth Correctional Facility to a specialized treatment facility.
- Implement reforms on 20 living units (reduce housing unit size and increase staffing), targeting behavior treatment programs and core rehabilitation/treatment units.



**Update on Implementation.** The department indicates that it is in various stages of implementing the safety and welfare remedial plan. The following is a partial list of what the department has accomplished to date:

- The department is developing the California Youth Assessment Screening Inventory, which allows DJJ to assess the specific risks for recidivism and treatment service needs of each youth and identify and develop intervention and treatment plans tailored to the needs of each youth.
- The department is also developing an Integrated Behavior Treatment Model to ensure that interventions are developed to address the risks and needs identified.
- The Ward Information Network has been implemented at all DJJ sites to track information on wards.
- The department has developed an interim classification system to classify all youth based on low risk and high risk for facility violence and the youth have been separated accordingly.
- The department has implemented performance based standards based on a national model at all of the institutions. This includes identifying one person at each institution that will collect the data and one person at headquarters that will compile and analyze the data submitted by headquarters.
- The department has started the development of the Program Service Day to implement a structured schedule to ensure all mandated services are provided in an efficient manner with minimal scheduling conflict. The Program Service Day will be piloted at Preston Youth Correctional Facility.
- The department has trained 1,600 staff in evidence based programs, crisis management, aggression replacement, conflict resolution and mediation, and motivational interviewing.
- The department has re-issued a request for proposal for secured residential placement and treatment for female offenders committed to DJJ.
- The department has participated with Family Justice in an initiative to explore the nature of family connections with youth at DJJ.
- The department has developed numerous policies related to access to the courts and law library, confidential visitations, and confidential telephone calls.

**Governor's Budget.** The Governor's budget has two budget proposals to support the state in compliance with the *Farrell* lawsuit. These proposals are as follows:

- **Information Technology.** The budget proposal includes \$1.1 million from the General Fund to support 7.5 positions to support the DJJ information technology and infrastructure required for implementation of the Safety and Welfare Remedial Plan.
- **Policy and Regulation Development.** The budget proposal also includes \$513,000 from the General Fund to support six 2-year limited-term positions to support the development of over 600 policies and regulations that need significant revisions as a result of the *Farrell* lawsuit. These policies and regulations address issues in all six of the remedial plans.

**Staff Comments.** Staff finds that the information technology support is critical to implementing evidence-based policies and practices required by the *Farrell* lawsuit. Furthermore, staff finds

that revising regulations and policies is critical to ensuring that reforms implemented as part of *Farrell* become part of the culture and practice of the DJJ institutions.

**Staff Recommendation.** Staff recommends that the Subcommittee approve the two *Farrell*-related budget proposals included in the Governor's budget.

## 2. Education Remedial Plan—Informational Item

**Background.** A component of the *Farrell* Consent Decree required DJJ to improve the quality of education provided to wards in DJJ facilities. The department has prepared an educational remedial plan that was adopted by the court in 2005.

The plan is committed to establishing the following student-to-teacher ratios for various categories of wards:

- Regular education ratio decreases from 15:1 to 12:1
- Special Day Classes (designated as special education) ratio decreases from 12:1 to 10:1
- Restricted program wards get a new ratio of 5:1

Furthermore, the plan also specifies that teacher assistants be provided at a ratio of 12:1 for the English language learner population. Teacher assistants are also provided for each Special Day Class teacher, resource specialist, and two assistants are assigned to each restricted program. Furthermore, every ward with additional learning needs is provided with 104 hours a month of services from a resource specialist, school psychologist, and language, speech, and hearing specialist. Every high school serving a restricted population will have at least two school psychologists. One school psychologist is also provided to parole.

**Update on Implementation.** The department indicates that it is in various stages of implementing the education plan and in the latest round of auditing the department was found to be nearly 70 percent compliant with the education remedial plan. The following is a partial list of what the department has accomplished to date:

- The department has established Alternative Behavior Learning Environment classrooms at each school to provide youth with behavior problems in school an opportunity to remain in school.
- The department has seen an increase in the number of youth that received a high school diploma, a vocational certificate, a GED, and enroll in college even though there has been a reduction in the overall population.
- A student/ward school attendance tracking system has been implemented.
- A pay increase for teachers at DJJ was approved by the Department of Personnel Administration that took effect on April 1, 2006, and the department has hired teachers to fill its vacancies. The school year was also reduced from 247 days to 220 days to improve the ability to recruit teachers by aligning the school schedule with other schools.

### 3. Mental Health Remedial Plan—Informational Item

**Background.** A component of the *Farrell* Consent Decree requires DJJ to improve the quality of mental health services provided to wards in DJJ facilities. The department has developed a mental health care remedial plan that was filed with the court in 2006.

The mental health remedial plan is a plan for providing comprehensive and integrated mental health services based on evidence-based standards of mental health care to juveniles served by DJJ. This includes:

- Screening
- Diagnosis
- Psychometric Assessments
- Psychotherapeutic and Pharmacotherapeutic treatment
- Consultation Services to direct care and other staff
- Leadership of clinical programs operating within a continuum of care in a variety of settings

The main principle governing treatment will be that the youth be allowed to function in the least possible restrictive environment, which they are capable of, but still ensure safety and personal growth.

**Update on Implementation.** The department indicates that it is in various stages of implementing the mental health plan. The following is a partial list of what the department has accomplished to date:

- Established two licensed mental health facilities.
- Contracted to use the mental health assessment tool Voiced Diagnostic Interview Schedule for Children on all youth at intake.
- Improved tracking of mental health data and implemented a dispute resolution protocol for disputes between custody and health care staff.
- Developed a new suicide watch policy, which is currently being piloted, that incorporates contemporary standards and provisions for staff training.
- Developed a new Forensic Evaluation Policy.
- Reduced living unit size to no more than 30 for most mental health treatment units. (The majority of these units will be further reduced when the reforms called for in the remedial plan are fully implemented.)

### 4. Sex Behavior Treatment Remedial Plan—Informational Item

**Background.** A component of the *Farrell* Consent Degree required DJJ to improve the treatment provided to sex offenders in DJJ facilities. The department has prepared a sex behavior treatment program that was approved by the court in 2005 and is a 12-stage program that will standardize the process, assessment, and treatment of offenders from intake through parole. It implements a model and curriculum that encompasses all levels of the mental health continuum of care and can be customized for the needs of each offender.

**Update on Implementation.** The department indicates that it is in various stages of implementing the sex behavior treatment plan. The following is a partial list of what the department has accomplished to date:

- The department is currently field testing the Static 99, which is a standardized risk assessment tool used to identify treatment needs.
- The department has contracted to develop treatment curricula for residential and outpatient programs and a sexual education curriculum entitled “Healthy Living”.
- The department has trained staff on the use of two sex offender risk assessment tools.
- Staff has attended various conferences and training on best practices on sex behavior treatment.

## 5. Health Care Remedial Plan—Informational Item

**Background.** A component of the *Farrell* Consent Decree requires DJJ to improve the quality of health provided to wards in DJJ facilities. The department has developed a health care remedial plan that was filed with the court in 2006.

The guiding concepts of the revised health care operations are the following:

- Create a centralized state medical leadership with the ability to establish health care policy for DJJ and implement and monitor health services at all facilities and supervise health services staff.
- Develop standardized policy and procedure that matches the needs of the youth and conforms to an acceptable national standard of medical and nursing care.
- Develop a system of auditing staff performance against the newly implemented policy and procedure.
- Establish a program that fosters linkages to university-based programs, public health agencies, and other youth facilities to which youth may be transferred or from which they may be accepted.

**Update on Implementation.** The department indicates that it is in various stages of implementing the health care remedial plan. The following is a partial list of what the department has accomplished to date:

- Improved health record tracking.
- Filled the majority of headquarters health care leadership positions and health care administrator positions.
- Developed 32 policies with the remedial plan experts to ensure the provision of adequate, timely, appropriate health care.

## 6. Wards with Disabilities Remedial Plan—Informational Item

**Background.** A component of the *Farrell* Consent Decree required DJJ to make accommodations for wards with disabilities. The department has prepared a wards with disabilities program remedial plan that was adopted by the court in 2005.

The goals of the disability remedial plan are the following:

- Assure equality of opportunity and full participation for disabled wards in all department services, programs, or activities.
- Assure the elimination of discrimination against individuals with disabilities within DJJ.
- Provide clear, strong, consistent, enforceable standards addressing discrimination against individuals with disabilities.

The plan also requires the department to screen all wards, upon intake, to determine if they have a developmental disability. (Developmental disabilities include mental retardation, cerebral palsy, epilepsy, autism, or other neurological disabilities.)

**Update on Implementation.** The department indicates that it is in various stages of implementing the wards with disabilities remedial plan. The following is a partial list of what the department has accomplished to date:

- Transportation equipment for transporting disabled youth has been purchased.
- Auxiliary aids for hearing impaired have been purchased for each facility.
- Corrective Action Plans have been completed for all facilities.
- Each facility has a sign language contract in place.
- Each facility has a wards with disabilities program coordinator.
- Staff has attended disability awareness training and a training module has been created for the Basic Cadet Academy.

## 7. DJJ Population Estimate

**Population Estimate.** As of June 30, 2007, 2,516 wards reside in DJJ facilities. The department forecasts that the ward population will decrease to 1,703 wards by June 30, 2009, a projected two-year decrease of 813 wards, or about 32 percent, compared to the beginning of the current fiscal year.

As of June 30, 2007, CDCR supervised 2,765 youthful offenders on parole. The department forecasts the parole population will decrease to 2,175 by June 30, 2009, a projected two-year decrease of 590 parolees, or about 21 percent.

**Governor's Budget.** The Governor's budget requests an additional \$3.1 million in the current year to fund the juvenile population due to unexpected delays in the closure of DeWitt Nelson Youth Correctional Facility. However, the Governor's budget expects a reduction of \$57 million General Fund in the budget year due to the projected population decline at DJJ.

The Governor's budget also proposes to realign program expenditures in the budget year to reflect more accurate tracking of DJJ expenditures.

**LAO Recommendation.** The LAO finds that the juvenile population may be slightly lower than projected in the Governor's budget. Specifically, the LAO thinks that funding for DJJ could be reduced by \$4 million in the current year and an additional \$9 million in the budget year.

**Staff Comments.** Staff finds that the population estimate for DJJ is confusing and does not promote transparency. Furthermore, staff appreciates the effort to better realign expenditures to appropriate categories, but the realignment cannot be easily explained by the supporting documentation provided with the budget proposal. Staff finds that more needs to be done to simplify and streamline the DJJ population estimate to improve accountability for state expenditures.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Hold this issue open.
- Approve budget bill language to direct CDCR to work with the Department of Finance and the Legislature to improve the transparency and organization of the DJJ population estimate.

## 8. *LH* Lawsuit Compliance—Juvenile Parolee Due Process

**Background.** The *LH* lawsuit is a class action lawsuit alleging that California's parole revocation process violates the due process clause of the U.S. Constitution. Specifically, the plaintiffs in the lawsuit assert that the current revocation hearing process is not timely and existing procedures unlawfully restrict the appointment of counsel and appearance of witnesses at revocation hearings.

In September 2007, the federal court found the state in violation of due process rights provided in the U.S. Constitution and ordered the department to develop a plan to remedy this violation within 30 days. On January 29, 2008, the court ordered the department to take specific actions related to this case. These actions include the following:

- On or before February 15, 2008, counsel shall be appointed to represent every juvenile parolee in parole revocation proceedings.
- Counsel shall be provided with access to files at a time sufficiently in advance of the probable cause hearing.
- Counsel shall be provided with reasonable access to their clients.
- Juvenile parolees may obtain counsel of their own choosing and such counsel shall have the same rights, except pay, as appointed counsel
- The department shall ensure effective communication to all juvenile parolees throughout the parole revocation process.
- The department shall develop draft policies and procedures by March 15, 2008, to ensure compliance with the Americans with Disabilities Act in parole revocation proceedings.

The department has indicated that they expect a follow up court order that will direct the department to take additional actions to address the deficiencies found in the *LH* lawsuit.

**Current Year Funding.** The Governor's budget and a current year Finance Letter (dated January 18, 2008) requests \$2 million General Fund in the current year to start to comply with the *LH* lawsuit. This funding would provide partial year support for 29 positions (24 positions in Juvenile Parole Operations and five positions for the Juvenile Parole Board). The funding will also support an expanded contract for attorney services and the purchase of recording equipment.

**Governor's Budget and Finance Letter.** The Governor's budget and a Finance Letter (dated April 1, 2008) proposal requests \$3.2 million General Fund in the budget year to comply with the *LH* lawsuit. The funding will support the full-year costs for the 29 positions proposed to be established in the current year. The augmentation contained in the Finance Letter (\$309,000) supports the costs of attorneys to represent the youth in the new parole revocation process being directed by the *LH* lawsuit.

**Staff Comments.** Staff finds that the underlying nature and proposed remedy for the *LH* lawsuit is very similar to the *Valdivia* lawsuit that addresses due process rights for adults in the parole revocation process. Even though the court has not made specific orders related to some of the remedies included in this budget proposal, staff finds that these remedies are likely given the state's experience in the *Valdivia* lawsuit.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this budget proposal and the Finance Letter.

## **Farrell Related Capital Outlay**

**Background.** In 2004, the state settled the *Farrell* lawsuit that alleged poor conditions of confinement and lack of treatment services for youth housed in DJJ institutions. Modifications to existing facilities were needed to comply with the lawsuit. For example, the current juvenile institutions do not have adequate or appropriate space to house these staff and/or space for these staff to deliver programming.

The 2006 Budget Act allocated \$18.2 million (\$2.9 million federal funds) to help address DJJ's facility deficiencies. These funds were used to fund the design of eight Behavioral Treatment Programs, upgrade telecommunications infrastructure, design a new prototypical 280-bed core treatment facility, and purchase and install Prison Industry Authority (PIA) modular units to provide treatment space and classroom space. Unfortunately, five of the 14 modular units funded with these resources were installed at DeWitt Nelson Youth Correctional Facility, which is now scheduled to close at the end of the current fiscal year.

The 2007 Budget Act included \$10 million General Fund to purchase additional PIA modular units (\$6.5 million) and for other minor capital outlay projects (\$3.5 million). The Budget Act also included budget bill language to require that CDCR report to the Joint Legislative Budget Committee on the projects it will pursue prior to expending these funds. To date, the Joint Legislative Budget Committee has not received notification from the department on how it plans to expend the funds allocated in the current year.

**Juvenile Facility Planning.** Last year this Subcommittee expressed concern about what appeared to be a lack of planning for how the department would manage its current portfolio of juvenile facilities. The 2007 Budget Act included budget bill language that required the department to develop a juvenile facilities master plan to be submitted to the Legislature by October 31, 2007. The budget also included budget bill language to require that the department reconcile the juvenile facilities master plan with the operational master plan being developed by the Commission on Juvenile Justice. The Legislature has not received a juvenile facilities master plan as requested.

The CDCR submitted its overall master planning document to the Legislature in March. This document included a section on the juvenile facilities. However, it did not include sufficient details to constitute a plan. The department has indicated to staff that it has retained a consultant to develop a juvenile facilities master plan. However, the outcomes of this work have not been provided to the Legislature. The department has indicated to staff that the master plan for the DJJ facilities may be submitted to the Legislature for review by the end of May.

**Governor's Budget and Finance Letter.** The Governor's budget and a Finance Letter (dated April 1, 2008) allocate \$2 million General Fund to support capital outlay projects to help comply with the *Farrell* lawsuit. These projects are summarized below:

- **Sex Behavior Treatment Program Counseling Building #1.** The Governor's budget proposal includes \$419,000 to finish construction of a counseling building at N.A. Chaderjian Youth Correctional Facility that will provide group counseling space,



individual counseling space, offices, and storage to support a Sex Behavior Treatment Program. This project was started as a minor capital outlay project in 2006, but during construction it was determined that the costs of the building would exceed the minor capital outlay limit (\$400,000). The department has already invested \$303,000 in this project and construction is currently about half complete.

- **Sex Behavior Treatment Program Counseling Building #2.** The Governor's budget proposal includes \$517,000 to finish construction of a counseling building at N.A. Chaderjian Youth Correctional Facility that will provide group counseling space, individual counseling space, offices, and storage to support a Sex Behavior Treatment Program. This project was started as a minor capital outlay project in 2006, but during construction it was determined that the costs of the building would exceed the minor capital outlay limit. The department has already invested \$219,000 in this project and construction is currently about half complete.
- **Behavior Treatment Program.** A Finance Letter requests \$516,000 to finish remodeling the dayroom at the Inyo Living Unit at O.H. Close Youth Correctional Facility to add two education/treatment rooms to support a Behavior Treatment Program. This project was proposed as a minor capital outlay project in 2006, but during design it was determined that the project would exceed the minor capital outlay limit. The department has already invested \$18,415 on the design of this project.
- **Specialized Counseling Program.** A Finance Letter requests \$517,000 to finish expansion of the Humboldt Annex at O.H. Close Youth Correctional Facility to create a group counseling room, office space for clinical staff, and storage to support a Specialized Counseling Program. This project was started as a minor capital outlay project in 2006, but during construction it was determined that the costs of the expansion would exceed the minor capital outlay limit. The department has already invested \$235,425 on this project and construction is 22 percent complete.

**Staff Comments.** Staff finds that the *Farrell* reforms required the department to hire a significant number of new teachers and treatment staff to implement the remedial plans and there are treatment and office space shortages at all of the institutions. Staff finds that the department has still not put forward a plan for the monies provided in the current year for *Farrell*-related capital outlay. However, staff has been informed that the department will be submitting a plan for these monies before the May Revision.

Furthermore, staff finds that the department has consistently under-estimated costs associated with these projects, which has resulted in the department starting and stopping construction. Staff finds that this is an inefficient process and more should be done to put forward more accurate cost projections prior to starting construction.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following action:

- Hold this issue open pending receipt of the department's expenditure plans for the current year allocation.

## Other Capital Outlay

### 1. Statewide Project Planning

**Background.** The department manages a significant number of facilities. Most of these facilities are old and decaying. This requires constant efforts by the department to ensure that the state's correctional system is maintained and can be fully utilized. Furthermore, Chapter 7, Statutes of 2007 (AB 900, Solorio) was passed last year to authorize the department to construct up to 40,000 new prison beds. Subsequent legislation (Chapter 175, Statutes of 2007 [SB 81, Budget]) required that capital outlay budget packages be submitted to the Legislature for projects funded by AB 900.

Funding to support the advanced planning required to complete capital outlay budget packages was not included in AB 900 or in SB 81. This is especially problematic in the case of the re-entry facilities since the state has not built this type of facility before. While many of these pre-planning activities would be eligible for reimbursement once the lease-revenue bonds were issued, the department did not have sufficient dedicated resources to support the pre-planning work. Therefore, the department, after notification to legislative staff redirected, \$6.5 million of the General Fund appropriated in AB 900 for infrastructure upgrades.

**Governor's Budget and Finance Letter.** The Governor's budget proposal includes \$3 million General Fund for advanced planning and budget packages for future capital outlay projects. This is \$1 million more than is allocated in the current year for pre-planning activities. The budget also proposes to amend budget bill language to allow these funds to be used to support advanced planning for projects authorized by AB 900.

The Governor's budget also includes proposed trailer bill language to make it clear that the expenditures to prepare pre-planning capital outlay budget proposals for projects authorized by AB 900 should be reimbursable from AB 900 lease-revenue bond funding.

A Finance Letter (dated April 1, 2008) requests \$6 million General Fund for site investigation and real estate due diligence activities required prior to site selection and acquisition of re-entry facility properties. The Finance Letter also includes budget bill language to authorize the department to enter into agreements for the acquisition of an option to purchase real property with the approval of the State Public Works Board.

**LAO Recommendation.** The LAO recommends that the Legislature approve the trailer bill language proposed by the Governor to clarify that pre-planning activities required to develop detailed capital outlay budget packages be reimbursable from AB 900 lease-revenue bond financing. The LAO finds that the lack of dedicated funding for this purpose has delayed the development of the infill bed plan.

**Staff Comments.** Staff finds that the department did not submit regular capital outlay budget packages for the projects approved in AB 900. However, subsequent legislation (SB 81, Budget) requires the department to develop these budget packages thereby allowing for some level of legislative oversight. Staff concurs that the department was not provided with sufficient funding

to support the development of capital outlay budget packages for the projects contemplated in AB 900. Staff finds that the small investment in planning and project development could save the state million of dollars that could be wasted on more costly and poorly planned projects.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Approve the \$3 million for advanced planning and budget packages for future capital outlay projects and budget bill language to allow these funds to be used for developing AB 900-funded projects.
- Approve trailer bill language to make it clear that the expenditures to prepare pre-planning capital outlay budget proposals for projects authorized by AB 900 should be reimbursable from AB 900 lease-revenue financing.
- Approve the \$6 million for re-entry due diligence activities and the proposed budget bill language.

## 2. Solid Cell Fronts

**Background.** In order to improve the safety of staff, the department started an effort to retrofit old administrative segregation units with open barred cell fronts and cell doors to a solid cell front design. The solid cell front design reduces the opportunity for gassing or spearing attacks by inmates upon staff.

**Governor's Budget.** The Governor's budget proposal includes funding for an ongoing project to replace the bar construction of cell fronts in the Administrative Segregation Units with solid cell fronts. This modification will also require modifications to the heating/ventilation system and utilities. The budget includes funding for the following conversions:

- **Correctional Training Facility.** The Governor's budget proposal includes \$498,000 General Fund for working drawings to convert 144 cells.

The Legislature appropriated \$405,000 General Fund to support this project in the 2007 Budget Act. The total estimated project cost is \$7 million or \$48,600 per cell to convert these cells.

- **California Medical Facility.** The Governor's budget proposal includes \$6.7 million General Fund for construction costs to convert 132 cells.

The Legislature has appropriated \$759,000 General Fund since the 2005 Budget Act to support planning for this conversion. Construction funds were proposed in the current year, but the project was not started. The total estimated project cost is \$7.4 million or \$56,000 per cell to convert these cells.

**Staff Recommendation.** Staff recommends that the Subcommittee approve the funding to continue with these conversions.

### 3. Folsom State Prison – Officers and Guards Building

**Background.** In 2002, the department completed a \$2.5 million seismic retrofit of the historic Officers and Guards Building at Folsom State Prison. Further modifications are needed to this building before it can be used as office space. The Officer and Guards Building is outside of the secure perimeter of the prison.

Folsom State Prison currently lacks adequate space to accommodate the additional clinical staff hired to meet health care mandates by the federal courts. The department plans to move some of its administrative staff to the newly remodeled historic Officers and Guards Building outside of the secure perimeter, thereby making room for additional clinical staff in the administration building that is within the secure perimeter of the prison.

**Governor's Budget.** The Governor's budget proposal includes \$6.3 million General Fund for construction costs associated with converting the historic Officers and Guards Building at Folsom State Prison into office space for prison administrative staff and inmate records personnel.

The Legislature has appropriated \$780,000 General Fund since the 2006 Budget Act to support planning for this remodel. The total estimated project cost is \$7.1 million.

**Staff Comments.** Staff finds that this project will provide for additional space in the current administration building within the secure perimeter that can be converted to health care space. This should reduce the need to build additional space to meet health care space needs.

Staff finds that this project may be eligible for lease-revenue bonds.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Hold this issue open.
- Request DOF to make a determination as to whether this project is eligible for lease-revenue bond financing.

### 4. Folsom State Prison – Renovate Electrical System

**Background.** Building #5 at Folsom State Prison was constructed in 1880 and is one of the oldest housing units in the prison system. The housing unit has 322 cells and was wired for electricity approximately 57 years ago. Since the housing unit is stone masonry construction, the wiring is, for the most part, exposed in the cells. The department indicates that the exposed wiring poses a fire, life, and safety risk for the inmates and staff. In addition, the exposed wiring also creates a security issue because inmates are able to easily manipulate the fixtures to create primitive heating equipment. This tampering reduces the reliability of the entire system and over the past three years there have been over 400 work orders to repair the wiring system.

**Governor's Budget.** The Governor's budget proposal includes \$1.9 million General Fund to support working drawings (\$158,000) and the construction (\$1.7 million) costs to remove and upgrade the current wiring system in Building #5 at Folsom State Prison.

This project has started and stopped many times since 1999. To date, the Legislature has appropriated \$34,000 to support planning efforts for this project. The total estimated project cost is \$1.9 million.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this request as proposed.

## 5. Minor Capital Outlay

**Governor's Budget.** The Governor's budget proposal includes \$7.5 million General Fund. The department has not put forward specific details on the projects to be funded with these monies.

**Staff Comments.** Staff finds that there are many facility needs in the prison system. However, staff notes that this Subcommittee had considerable concerns last year about the lack of information provided by the department on the projects proposed for funding as minor capital outlay projects. The department has indicated to staff that it is working on proposals and will be providing them to the Legislature soon.

**Staff Recommendation.** Staff recommends that the Subcommittee hold this issue open.

## 6. California Rehabilitation Center – Replace Dorms

**Background.** There are 28 100-bed dorms at the California Rehabilitation Center. These dorms were originally constructed in the 1940s by the Navy as temporary hospital wards. These buildings are wood construction and are seriously deteriorated. For example, the bathroom floors are rotting, the plumbing is worn out, and the buildings contain significant levels of asbestos.

The department has proposed to replace all 28 of these dorms over a number of years with 16 200-bed prototypical emergency bed dorm housing units. This plan would provide the department with 400 additional dorm beds.

**Governor's Budget.** The Governor's budget proposes \$15.3 million General Fund to support the construction (\$15 million) of four new 200-bed dorm housing units and the working drawings (\$343,000) to construct three additional 200-bed dorm housing units.

This multi-phase project was started in 1998 and to date the Legislature has appropriated \$9 million to develop preliminary plans for all phases, working drawings for the construction of the first five dorm housing units, and construction of the first 200-bed dorm housing unit. The total estimated project cost is \$67.7 million. This project will augment the department's bed capacity by 400 additional dorm beds.

**Staff Comments.** Staff finds that these facilities are badly deteriorated and pose health and safety issues for the inmates and staff. These dorm projects are similar to some of the projects

proposed for funding under Chapter 7, Statutes of 2007 (AB 900, Solorio). However, they are not being constructed with the programming space and health care space needed to comply with AB 900 and court mandates.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Hold this item open.
- Request that the department report back to the Subcommittee on what programming space would be needed to make this facility compliant with AB 900.
- Request DOF to make a determination as to whether this project is eligible for lease-revenue bond financing.

## 7. Ironwood State Prison – Ventilation System

**Background.** In the late 1980s and early 1990s the state built four prisons in the remote areas of Imperial County near Blythe and El Centro. Two of these prisons were constructed with an evaporative cooling system that prematurely deteriorated. The department reports that the evaporative cooling systems installed were undersized and were not well adapted to the extreme temperatures in this area of the state. Furthermore, the systems are located on the roofs of the housing units and have leaked and caused extensive damage to the roof and walls of the housing units, which could compromise the structural integrity of the building. Finally, the cooling units are not designed to generate enough air flow, which regularly results in housing unit temperatures in the summer that are well over the CDCR guideline of 92 degrees Fahrenheit.

The CDCR has replaced the evaporative cooling systems with closed looped chilled water heating, ventilation, and air conditioning systems at Chuckawalla Valley State Prison. Ironwood State Prison still has the old evaporative cooling system.

**Governor's Budget.** The Governor's budget proposal includes \$5.8 million General Fund to support the preliminary plans to replace the existing evaporative cooling system with closed looped chilled water heating, ventilation, and air conditioning systems for all housing units and support buildings at Ironwood State Prison.

The total estimated project cost is \$145 million.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this budget proposal.

## 8. California Men's Colony – Kitchen Replacement

**Background.** The kitchen at the West facility of the California Men's Colony was constructed in the 1940s using wood construction. Surveys by engineering firms in 1992 and 1995 found significant water damage had compromised the structure because of the wood construction and the years of use. In addition, two surveys conducted in 2006 found moderate to severe mold infestation in the kitchen and the dining areas. To date, some rooms in the kitchen have been

sealed off and are no longer in use because of the high concentration of mold. The department also has indicated that over 25 percent of the floor area is severely affected by water damage.

The West facility currently houses 2,800 Level I and Level II inmates. Inmates have been housed in this facility continuously since 1984 without any major modifications to improve the kitchen facility.

**Finance Letter.** A Finance Letter (dated April 1, 2008) proposes to revert \$10.3 million in lease-revenue bonds allocated in the current year for construction of this project. The letter also requests that \$15.3 million in lease-revenue bonds in the budget year to augment funding for working drawings (\$992,000) and increased construction (\$14.3 million) costs. The department indicates that the additional funding is needed to update the working drawings that were originally completed in 1999 and proceed to construction.

The Legislature has allocated \$789,000 since 1998 for this project, which has been delayed several times. The total estimated project cost is \$16.1 million.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this Finance Letter.

## 9. Waste Water Treatment Plant Upgrades

**Background.** Overcrowding at the adult institutions has significantly impacted existing infrastructure systems, most notably, wastewater systems. These systems are often required to operate at or above the maximum intended capacity, resulting in an increased health and safety risk to CDCR staff, inmates, the public, and the environment. Overcrowding the prison sewage and wastewater systems has caused the discharge of waste beyond treatment capacity, resulting in sewage spills and environmental contamination. These spills can contaminate groundwater drinking supplies and place the public's health at risk. Furthermore, the department's wastewater issues have already resulted in multiple fines, penalties, and notices of violation to the CDCR from environmental control agencies (mainly the Regional Water Quality Control Boards).

**Current Year Projects.** The department has submitted letters to the Joint Legislative Budget Committee in 2007 to fund two Waste Water Treatment Plant (WWTP) projects from the General Fund support allocated in Chapter 7, Statutes of 2007 (AB 900, Solorio). These projects are as follows:

- **California State Prison, Corcoran/Substance Abuse Treatment Facility.** The department requested to allocate \$6.1 million for construction of numerous upgrades to the WWTP that serves both of these prisons.

Lease-revenue bond financing was provided to support this project in the 2007 Budget Act. The Governor vetoed the lease-revenue bond funding because the nature of the project made it difficult to finance with lease-revenue bonds. The veto message directed that the department fund this project out of the General Fund appropriation provided in AB 900 for infrastructure.

This project was started in 2005 and \$554,000 was allocated from the General Fund to plan for this project. The total estimated project cost is \$6.1 million.

- **Centinela State Prison.** The department requested to allocate \$6.5 million for construction of various upgrades to the WWTP at this prison.

Lease-revenue bond financing was provided to support this project in the 2007 Budget Act. The Governor vetoed the lease-revenue bond funding because the nature of the project made it difficult to finance with lease-revenue bonds. The veto message directed that the department fund this project out of the General Fund appropriation provided in AB 900 for infrastructure.

This project was started in 2005 and \$988,000 was allocated from the General Fund to plan for this project. The total estimated project cost is \$7.5 million.

The department also submitted a letter to the Joint Legislative Budget Committee in 2007 to request that \$15.9 million from the General Fund allocation contained in AB 900 be allocated to implementing water conservation devices at 15 institutions. The department estimates that over 25,000 cells would be retrofitted by this effort and would improve water use efficiency and reduce the strain on the department's WWTP infrastructure.

**Governor's Budget and Finance Letter.** The Governor's budget proposal and a Finance Letter (dated April 1, 2008) propose funding for the following Waste Water Treatment Plant (WWTP) upgrades:

- **Chuckawalla Valley State Prison/Ironwood State Prison.** The Governor's budget proposal includes \$23 million General Fund for construction costs to rehabilitate the WWTP that serves both of these prisons. The scope of this project was changed considerably in 2007 to comply with requirements of the Colorado River Basin Regional Water Quality Control Board. The project now entails rehabilitating two trickling filters, paving portions of sludge drying beds, constructing a solid storage pad, and replacing pumps.

The Finance Letter proposes to increase the amount provided for construction by \$2.3 million. The increased costs reflect a more detailed scope and schedule obtained during the recent completion of preliminary plans.

Funding this project will prevent future violations and the potential issuance of a Cease and Desist Order from the Colorado River Basin Regional Water Quality Control Board. This project was started in 2006 and \$1.7 million has been appropriated by the Legislature in past budgets to plan for this project. The total estimated project cost is \$24.7 million.

- **Mule Creek State Prison.** The Governor's budget proposal includes \$542,000 General Fund to support working drawings to make numerous upgrades to the WWTP at this



prison. This project includes constructing a secondary clarifier, a mixed splitter box, a chlorine contact basin, and a disinfected secondary effluent pump station.

This prison was issued a Notice of Violation by the Regional Water Quality Control Board in September 2006 and a Cease and Desist order in December 2006 outlining various violations. This project was started in 2007 and \$390,000 was allocated for preliminary plans. Total costs for this project are estimated to be \$6.6 million.

- **California Rehabilitation Center.** The Governor's budget proposal includes \$113,000 General Fund for preliminary plans and working drawings to install a bar screen and two chopper pumps in the sewer discharge line at the California Rehabilitation Center.

This prison was issued a Consent Order by the Santa Ana Watershed Project Authority in January 2007 for exceeding discharge limits. The department has already paid over \$350,000 in fees over the last year because of these violations. Total costs for this project are estimated to be \$949,000.

**Water Use Efficiency Important.** Staff finds that implementing water use efficiencies can be more cost effective than expanding WWTP facilities. Staff finds that the department has allocated some of the funding provided in AB 900 to implement water conservation devices. However, given the overall magnitude of the overcrowding at some of these institutions, staff finds that water use efficiency will not meet all of the needs of the department. Nevertheless, staff finds that the department should have a policy of pursuing all water use efficiency options before taking efforts to greatly expand an institution's WWTP.

**Staff Recommendations.** Staff recommends that the Subcommittee take the following actions:

- Approve the budget proposals and Finance Letters proposals.
- Approve supplemental report language that directs the department to develop and put forward options for improving its water use efficiency as an addendum to its 2009 Master Plan.

## 10. Sierra Conservation Center - Water Supply Treatment Plant

**Background.** The Sierra Conservation Center is located in the Sierra Nevada foothills near the town of Sonora. The center pre-treats raw water from Lake Tulloch for all uses at the center, including drinking, showering, toilets, and kitchen uses. The current system is inadequate when water turbidity is high and does not meet Department of Health Services primary drinking water standards.

**Governor's Budget.** The Governor's budget proposal requests \$2.6 million General Fund to support construction of a filtration structure for the water supply treatment plant at the Sierra Conservation Center.

This project was started in 2006 and \$313,000 has been allocated to plan for this project. The total costs for this project are estimated to be \$2.9 million.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this budget proposal.

## Coleman Ordered Mental Health Capital Outlay

**Background.** The Special Master and the court overseeing the settlement of the *Coleman* lawsuit have taken a multi-pronged effort to improve mental health care facilities within the department. The court has pursued interim and temporary measures to improve mental health care facilities in the short-term. Many of these short-term efforts have already been implemented or are currently being constructed.

However, the department has also been working on a long-term Mental Health Bed Plan that will provide a plan for permanent mental health bed capacity that will provide various levels of care. The court adopted the August 2007 version of the department's bed plan in October 2007. This plan expects the following permanent mental health bed capacity to meet the projected mental health population for June 2011:

Expected Permanent Mental Health Bed Capacity by Type of Bed	Number of Beds		
	Female	Male	Total
<b>Enhanced Outpatient Program</b> - Long-term beds for EOP inmates that require significant services to function well.	297	4,552	4,849
<b>Mental Health Crisis Beds</b> - Short-term licensed beds for inmates in mental health crisis that need intensive 24-hour care. Length of stay not to exceed 10 days generally.	25	347	372
<b>Acute</b> - Short-term licensed beds for inmates that require 24-hour mental health treatment to prevent danger to themselves and others. The average length of stay at this level is two to three months.	42	240	282
<b>Intermediate Care Facility</b> - Longer-term licensed beds for inmates that need intensive mental health care services. Length of stay not to exceed nine months.		314	314
<b>Intermediate Care Facility - High Custody</b> - Same as above, but for high custody inmates.		312	312
<b>Administrative Segregation Unit</b> - Housing units for temporary segregation of EOP inmates that are pending investigations, evaluation, and/or disciplinary action. Similar to regular ASU, but with space to deliver treatment services.	24	752	776
<b>Psychiatric Services Unit</b> - Housing units for EOP inmates that have been found guilty of an offense committed in the institution, or have been deemed to be a threat to the safety of others or the security of the institution. Similar to Security Housing Units (SHU), but with space to deliver treatment services.	20	576	596
<b>Total</b>	<b>408</b>	<b>7,093</b>	<b>7,501</b>

The department currently operates some mental health beds that it will continue to operate under this plan. The department also plans to vacate 1,552 existing mental health beds that can be converted to other uses. However, in order to meet the requirements of this bed plan, the department will also need to construct new mental health facilities with the following beds:

New Mental Health Beds to Be Constructed by Type of Bed	Number of Beds		
	Female	Male	Total
Enhanced Outpatient Program	168	2,532	2,700
Mental Health Crisis Beds	3	110	113
Acute	17	90	107
Intermediate Care Facility		230	230
Intermediate Care Facility - High Custody		120	120
Administrative Segregation Unit	15	453	468
Psychiatric Services Unit		256	256
<b>Total</b>	<b>203</b>	<b>3,791</b>	<b>3,994</b>

**Consolidated Care Centers.** In December 2007 the judges in the *Plata*, *Coleman*, *Perez*, and *Armstrong* lawsuits approved an agreement to coordinate compliance efforts required in each of these lawsuits. The Receiver appointed in the *Plata* case has been designated as the lead in developing and overseeing the implementation of a construction plan that will satisfy the four lawsuits. At the April 14 meeting of this Subcommittee, we heard testimony from the Receiver on his plans to construct up to 10,000 infill beds to satisfy the housing needs of the inmate patient classes represented in the four lawsuits. These beds would be constructed in consolidated care centers at seven different locations located adjacent to urban centers.

This plan contains up to 5,000 beds for patients with mental health conditions, including:

- **Enhanced Outpatient Program – Regular.** 68 percent or 3,400 open dorm beds for enhanced outpatient program inmate-patients.
- **Enhanced Outpatient Program – High Custody.** 18 percent or 900 beds for high-custody enhanced outpatient program inmate-patients.
- **Other Crisis-Type Beds.** 14 percent or 700 other beds that will be a mix of mental health crisis beds, acute beds, an intermediate care facility, and a high custody intermediate care facility.

The plan presented to the Subcommittee on April 14 appears to differ from the plan contained in the Mental Health Bed Plan adopted by the *Coleman* court in October 2007.

**Bed Construction Projects Ordered Before Approved Bed Plan.** In addition to the beds in the approved Mental Health Bed Plan, the department is also pursuing additional projects that would add additional bed capacity that were directed by separate orders by the *Coleman* court. However, the department has indicated that there still may be some changes to these projects. These projects include:

- 20-bed Psychiatric Services Unit at the **California Institution for Women** – in the planning stage, funding for working drawings proposed in budget.
- 45-bed Acute/Intermediate Care Facility at the **California Institution for Women** – department will pursue this project with \$62 million in AB 900 medical/mental health bed bond funding; the Legislature has not received notification of this project.
- 50 Mental Health Crisis Beds at **California Men's Colony** – department will pursue this project with \$59 million in AB 900 medical/mental health bed bond funding; the Legislature has not received notification of this project.
- 50 Mental Health Crisis Beds at the **California Medical Facility** – construction for this project is complete.
- 64-bed Intermediate Care Facility at the **California Medical Facility** – department will pursue this project with \$55 million in AB 900 medical/mental health bed bond funding; the Legislature has not received notification of this project.
- Program space to support 150-bed Enhanced Outpatient Program Unit at **California State Prison, Los Angeles County** – department will pursue this project with \$11 million in AB 900 medical/mental health bed bond funding; the Legislature has not received notification of this project.
- 64-bed Intermediate Care Facility at **Salinas Valley State Prison** – construction has started on this facility.
- 70-bed Enhanced Outpatient Program Administrative Segregation Unit at **Salinas Valley State Prison** – department will pursue this project with \$52 million in AB 900 medical/mental health bed bond funding; the Legislature has not received notification of this project.

The department estimates that the projects listed above will use \$240 million of the \$857 million included in AB 900 for medical and mental health beds. The Legislature also allocated \$146 million of this funding to support the Receiver's San Quentin project in the current year.

A court order issued in February 2008 by the *Coleman* court confirmed that the coordinated construction agreement for the long-term projects did not relieve the state of their obligation to comply with prior court orders to construct the projects listed above.

**Other Capital Outlay Projects.** The department is also pursuing several other capital outlay projects to comply with the *Coleman* court. These projects range from renovating administrative segregation unit intake cells to adding additional program and office space to support the mental health programs required under the *Coleman* lawsuit. These projects were funded as minor capital outlay projects, special repair projects, or through prior budget requests and they are all listed in a report in the department's master plan. This report was required by supplemental report language added by the Legislature in 2007 that required a comprehensive listing of all physical plant modifications completed and planned to comply with the *Coleman* lawsuit.

## 1. California Institution for Women

**Governor's Budget and Finance Letter.** The Governor's budget and a Finance Letter (dated April 1, 2008) requests funding to convert the east wing of the Women Support Care Unit at the

California Institution for Women to a 20-bed Psychiatric Services Unit (PSU). The Governor's budget proposal includes \$601,000 General Fund for working drawings to build this new unit. The Finance Letter requests an additional \$64,000 for preliminary plans and \$82,000 for working drawings to complete the planning for this project. The increased costs are a result of adding additional office and treatment space to the project scope for staff to support the PSU.

The Legislature appropriated \$423,000 General Fund to support this project in the 2007 Budget Act. The total estimated project cost is \$7 million or \$350,000 per bed to convert these beds. This project was court-ordered in March 2007 by the *Coleman* court.

**Staff Comments.** Staff finds that this project has been specifically ordered by the court. The LAO finds that the department has decided to pursue a project that renovates existing beds, thereby reducing capacity. The LAO notes that one of the alternative projects would add additional capacity and would only be marginally more expensive. The LAO finds that it may be more cost-effective to spend more on the margin to increase bed capacity as opposed to reducing capacity as proposed in the budget.

**Staff Recommendation.** Staff recommends that the Subcommittee hold this issue open.

## 2. Salinas Valley State Prison

**Finance Letter.** A Finance Letter (dated April 1, 2008) proposed funding to support two *Coleman*-related projects at the Salinas Valley State Prison. These projects include the following:

- **Treatment and Office Space to Support 180-Bed Enhanced Outpatient Program.** The Finance Letter includes \$1.7 million General Fund to support preliminary planning efforts to add additional treatment and office space to convert an EOP administrative segregation unit to a 180-bed general population EOP unit. This EOP housing unit is part of the court-approved bed plan and requires additional treatment space and office space to support the level of care required by the *Coleman* court. The EOP administrative segregation inmates currently in this facility will be transferred to a new 70-bed EOP administrative segregation facility that is being completed as part of the approved mental health bed plan.

The total estimated project cost is \$21.8 million to support the treatment and office space needed to support these beds.

- **Intermediate Care Facility Treatment Space.** The Finance letter includes \$399,000 General Fund to support preliminary plans and working drawings to convert existing unused dining room space into group therapy space to support the 128-bed Intermediate Care Facility at the prison. This ICF housing unit is part of the court-approved bed plan and requires additional treatment space and office space to support the level of care required by the *Coleman* court.

The total estimated project cost is \$1.9 million to add the additional treatment and office space needed to support these beds.

**Staff Comments.** Staff finds that these projects are renovation projects and cannot be funded with lease-revenue bonds. Staff finds that additional treatment space is needed for these units to comply with the *Coleman* lawsuit.

**Staff Recommendation.** Staff recommends that the Subcommittee approve the budget proposals.

### 3. California State Prison, Sacramento

**Finance Letter.** A Finance Letter (dated April 1, 2008) proposed \$1.2 million General Fund to support preliminary plans to convert unused warehouse space to program, treatment, and office space to support an existing 192-bed EOP housing unit at the California State Prison, Sacramento. This housing unit is part of the court-approved bed plan and requires additional treatment space and office space to support the level of care required by the *Coleman* court.

The total estimated project cost is \$15.1 million to renovate the existing warehouse space to provide additional treatment and office space needed to support these beds.

**Staff Comments.** Staff finds that these projects are renovation projects and cannot be funded with lease-revenue bonds. Staff finds that additional treatment space is needed for these units to comply with the *Coleman* lawsuit.

**Staff Recommendation.** Staff recommends that the Subcommittee approve this budget proposal.

### 4. Small Management Yards

**Background.** The CDCR is required, by a court order from the 1970s, to provide at least ten hours per week of out of cell exercise to inmates in administrative segregation. Historically, the department would accommodate this requirement by releasing 15 to 25 inmates at one time into an exercise yard. The department cites that the increased complexity of the administrative segregation inmate population has made it more difficult to release large groups of inmates without the threat of violence. Therefore, several years ago, the department started to construct small management yards.

The small management yards are approximately 150 square feet and can accommodate two inmates at one time. They are made of a metal fencing-type material and have a combination toilet and sink.

The judge overseeing the *Coleman* lawsuit issued an order on May 31, 2007, that the department submit a plan to provide sufficient small management yards to provide for at least ten hours per week of out of cell exercise to all inmates in administrative segregation. The order requires that the plan call for funding and construction of all yards by the end of the 2008-09 fiscal year. The

plan also required provisions for better utilization of the existing small management yards and coordination with available staff to maximize yard usage.

The department estimates that as of October 2007, 1,162 small management yards were needed statewide for administrative segregation units. The department indicates that of the total needed (1) 578 had already been constructed, (2) 108 were under construction, (3) 149 were in the design phase, and (4) 327 still needed to be funded.

The 2007-08 Budget Act included \$911,000 for preliminary plans and working drawings to add 179 small management yards at the six institutions, including 149 yards for administrative segregation units and 30 yards for the security housing units.

**Governor's Budget.** The Governor's budget proposal includes \$25.4 million General Fund to support the construction of 476 small management yards for administrative segregation units at 26 institutions. This includes funding for the design phase for 327 of the yards. The department does not plan to complete this project until January 2010. This is six months beyond what was ordered by the court.

**Staff Comments.** Staff finds that the need for additional small management yards could be reduced if the department could determine strategies for reducing its administrative segregation unit population. Staff finds that some inmates continue to be held in administrative segregation for non-disciplinary reasons because the department lacks suitable housing placements for certain populations considered "special needs". Staff finds that the department needs to continue to work towards population management solutions that will reduce its administrative segregation population.

Furthermore, the department recently changed its regulations so that it only has to review placement in administrative segregation every 90 days. In the past the department has done reviews every 30 days. Staff finds that more frequent reviews of the administrative segregation population could reduce the length of stay in these units thereby reducing the number of beds and yards needed for administrative segregation.

In addition, the court order requires the department to develop plans for better utilizing existing small management yards including utilizing the yards on third-watch. Staff finds there is another budget proposal to fund the increased custody costs associated with utilizing the yards on third-watch to get inmates the minimum amount of yard time required by the courts.

The department is still working on additional modifications to this plan that may enable it to meet the deadline set by the court.

**Staff Recommendation.** Staff recommends that the Subcommittee take the following actions:

- Hold this issue open.
- Request the department to report to the Legislature by May Revision on the costs of doing more frequent reviews of inmates in administrative segregation.



## **Perez Related Dental Care Capital Outlay**

**Background.** In December 2005, the department entered into a Stipulated Agreement to settle the *Perez v. Hickman* lawsuit claiming inadequate dental care in state prisons. This Agreement lowered the ratio of inmates to dentists from 950 inmates to one dentist to 515 inmates to one dentist. Additional treatment space is needed to accommodate this higher level of staffing.

The 2006 Budget Act included \$1.7 million General Fund to the department to develop capital outlay plans to add additional dental treatment and office space to implement the *Perez* settlement. In 2007 the Legislature denied \$15.1 million General Fund to support preliminary plans for dental and office space at the following seven prisons:

- Avenal State Prison
- Calipatria State Prison
- Centinela State Prison
- Chuckawalla Valley State Prison
- Ironwood State Prison
- Kern Valley State Prison
- Folsom State Prison

These are the first seven institutions where the new lower inmate to dentist ratio is being implemented. The total cost of these projects is estimated to be \$285 million and the department's master plan suggests that these projects will be funded out of lease-revenue bond financing authorized by Chapter 7, Statutes of 2007 (AB 900, Solorio).

**Coordination Update.** Last year the Legislature rejected funding for these dental facilities and added budget bill language to request that the department coordinate its dental facilities planning with the Receiver. Since then, a new Receiver has been appointed and additional details have come forth on the Receiver's facility plans. The Receiver is coordinating construction of 10,000 specialized-care beds at seven different institutions. Each of these centers will be constructed to comply with the *Perez* lawsuit. The Receiver is also planning to upgrade medical facilities at all 33 prisons. However, the Receiver is not planning to make the facility upgrades required by the *Perez* lawsuit at each of the 33 prisons. The department indicates that it is pursuing this upgrade project and will be funding this project with the AB 900 allocation of lease-revenue bonds for medical and mental health beds.

## San Quentin Condemned Inmate Complex

**Background.** The 2003-04 Budget Act authorized \$220 million in lease-revenue bonds for the design and construction of a new Condemned Inmate Complex for condemned male inmates at California State Prison, San Quentin. The original project was designed to provide 1,408 beds which were projected to meet the department's condemned inmate population needs through 2037.

However, because of increased costs related to this project, cost containment measures were taken in September 2005 to: (1) eliminate one housing unit, thereby reducing the number of beds by 18 percent; and (2) change the project scope for warehouse and maintenance support space from the construction of freestanding buildings to the conversion of existing dormitory buildings. Even with these cost containment measures, it was recognized that the project had a 6 percent budget deficiency in September 2005. The preliminary plans for this project were approved by the Public Works Board in November 2005.

There are currently 669 condemned inmates at San Quentin. The capacity of the current condemned housing is 634 beds. The new Condemned Inmate Complex would provide 1,152 beds.

**Governor's Budget.** The Governor's budget proposal includes \$136 million in lease-revenue bonds to address additional funding needed to complete construction of the Condemned Inmate Complex at California State Prison, San Quentin.

The total estimated project cost to construct the condemned inmate complex is \$356 million or \$309,000 per bed.

**LAO Finds Project Costs High.** The LAO finds that the costs for this project will be nearly triple the costs of comparable housing units constructed at Kern Valley State Prison in 2005. The LAO finds that even after adjusting for higher labor and material costs there are considerable unexplained costs. The LAO notes that other special factors, such as the multi-level design of the project and soil instability may also be contributing to the increased costs. Nevertheless, even after adjusting for these factors, the LAO cannot account for the increased costs.

**Environmental Impact Report Caps Population at San Quentin.** The department had indicated to the LAO last year that, as part of the Environmental Impact Report that was developed for the Condemned Inmate Complex, the state had agreed to a population cap of 6,558 on the number of inmates that could be housed at San Quentin. The LAO finds that this limit may prevent the department from using all of the cells being vacated with the relocation of the condemned inmate population to a new Condemned Inmate Complex. The LAO estimates that with the new Condemned Inmate Complex San Quentin has a maximum potential capacity of 7,100 inmates.

**LAO Recommendation.** In the past, the LAO has recommended canceling the Condemned Inmate Complex project at San Quentin and use the remaining funding authorized to build additional prison capacity for condemned and maximum-security inmates at a lower cost per bed elsewhere. This could include: (1) building a new condemned inmate complex at an existing prison or at a new site, or (2) constructing new Level IV capacity and moving condemned inmates to Level IV housing at an existing prison. The LAO indicates that some states house condemned inmates with other Level IV population in a single facility and suggests that this could also be an option.

This year the LAO withholds recommendation on the project until questions about the costs of the project and the impacts of the possible inmate population limits are resolved. The LAO recommends that the department retain an independent outside expert to assess the department's cost estimates for this project. This is similar to the recommendation the LAO made with regard to the infill bed projects authorized by Chapter 7, Statutes of 2007 (AB 900, Solorio).

The LAO also recommends that the department report on the following: (1) the maximum capacity of San Quentin now, including potential overcrowding of the facility; (2) the maximum potential capacity of San Quentin, including potential overcrowding of the facility, if the Condemned Inmate Complex is completed; (3) any specific limits on the inmate population at San Quentin to which the state has agreed as a result of the environmental review process for the Condemned Inmate Complex; (4) the department's rationale for building the Condemned Inmate Complex at San Quentin if in fact that means other existing space at the prison could not be used to hold inmates in the future.

**Staff Comments.** Staff finds that there was considerable debate regarding moving the Condemned Inmate Complex to an alternative site in 2003 when the project was authorized. A drawback that surfaced during this debate was that moving the condemned population to a remote prison facility would make it more difficult for specialized legal representation to have access to the condemned inmate population. State law allows for automatic appeals and habeas corpus appeals for all condemned inmates.

Furthermore, there would likely be local community opposition to moving the condemned inmate population to any other location in the state.

Staff finds that the Bureau of State Audits was directed in 2007 to conduct an audit of alternatives sites for the condemned inmate complex. This audit is expected to be completed by May 2008.

**Staff Recommendation.** Staff recommends that the Subcommittee hold this issue open.